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3	Pacifica, CA 94044	
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5	Fredric Evenson (State Bar No. 198059) ECOLOGY LAW CENTER	
6	P.O. Box 1000	
7	Santa Cruz, California 95061	
7	Telephone: (831) 454-8216 Email: evenson@ecologylaw.com	
8	Email: evensoriogeorogy a.v. com	
9	Counsel for Plaintiff ECOLOGICAL RIGHTS FOUNDATION	
10		
11	SUPERIOR COURT OF THE COUNTY OF SAN	
12	ECOLOGICAL RIGHTS FOUNDATION,	Case No. CGC-19-580009
13	Plaintiff,	
14	v.	[PROPOSED] CONSENT JUDGMENT AS TO MAKERBOT INDUSTRIES, LLO
15	3D PRINT OF NORTH AMERICA, INC., et al.,	AS 10 MAKERDOT INDUSTRIES, LLO
16	Defendants.	
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19	1 INTRODUCTION	
١ /	1. <u>INTRODUCTION</u>	

1.1 On October 15, 2019, the Ecological Rights Foundation ("ERF") acting on behalf of itself and the general public, filed a Complaint for civil penalties and injunctive relief ("Complaint") in San Francisco Superior Court, Case No. CGC-19-580009 against defendant MAKERBOT INDUSTRIES, LLC (also referred to herein as "MakerBot" or "Defendant"). The Complaint alleges, among other things, that Defendant violated provisions of the Safe Drinking Water and Toxic Enforcement Act of 1986, Health and Safety Code Sections 25249.5, *et seq*. ("Proposition 65") by failing to give clear and reasonable warnings to those residents of

California who use filaments incorporating a styrene monomer, including acrylonitrile-butadiene-styrene (ABS) filaments high impact polystyrene (HIPS) filaments, and polycarbonate acrylonitrile-butadiene-styrene (PC-ABS) in the operation of 3d printers. The Complaint further alleges that use of such filaments in 3d printing exposes people to Styrene, a chemical known to the State of California to cause cancer. The Complaint was based upon a 60-Day Notice letter, sent by ERF on April 24, 2019, to MakerBot, the California Attorney General, all District Attorneys, and all City Attorneys with populations exceeding 750,000.

For purposes of this settlement and Consent Judgment, "Covered Products" means the following MakerBot filaments incorporating a styrene monomer: (1) ABS filaments, (2) HIPS filaments, (3) acrylonitrile styrene acrylate (ASA) filaments, (4) PC-ABS filaments, and (5) PC-ABS FR filaments, which are sold, offered for sale or distributed in California for use in 3d printing.

Defendant is a business that employs more than ten persons and manufactures, distributes, and sells Covered Products. For purposes of this Consent Judgment, ERF and MakerBot (each a "Party" and collectively, the "Parties") stipulate that this Court has jurisdiction over the allegations of violations contained in the Complaint and personal jurisdiction over MakerBot, that venue is proper in the County of San Francisco, and that this Court has jurisdiction to enter this Consent Judgment as a full settlement and resolution of the allegations contained in the Complaint.

1.2 This Consent Judgment resolves claims that are denied and disputed. The Parties enter into this Consent Judgment pursuant to a full and final settlement of any and all claims between the Parties for the purpose of avoiding prolonged litigation. Neither this Consent Judgment nor anything contained herein shall constitute an admission with respect to any factual or legal allegation of the Complaint, each and every allegation of which MakerBot denies. Neither this Consent Judgment nor compliance with it may be used as evidence of any wrongdoing, misconduct, culpability or liability on the part of MakerBot.

1.3 The term "Effective Date" means the date that this Consent Judgment is entered by the Court.

2. INJUNCTIVE RELIEF

2.1 Warnings on Covered Products

(a) No later than forty-five (45) days following the Effective Date, MakerBot shall affix or print the following warning statement on the outer packaging of all Covered Products other than filaments that, prior to the Effective Date, have already been labelled with a warning statement that complies with Proposition 65 (i.e. a label that contains the following warning: **AWARNING:** Cancer - www.P65Warnings.ca.gov.):

▲ WARNING: This Filament - when used for 3D printing - can expose you and others in the same room to styrene, a chemical known to the State of California to cause cancer. www.P65Warnings.ca.gov.

ALWAYS USE THIS PRODUCT IN A WELL-VENTILATED AREA.

- (b) No later than fourteen (14) days after the Effective Date, with respect to any Covered Products sold over the internet by MakerBot, Makerbot also shall include, the above warning statement in accordance with the provisions of Health and Safety Code section 25602(b).
- (c) The warning statements required by Sections 2.1(a) and (b) shall be displayed with such conspicuousness, as compared with other words, statements, designs, or devices as to render them likely to be read and understood by an ordinary individual under customary conditions of purchase or use. The type size of the warning statements must be no smaller than any other warning provided with the Covered Products, and in no case less than the requirements of Health and Safety Code Sections 25249.5, *et seq.* and the implementing regulations set forth in Title 27, Article 6 of the California Code of Regulations.

2.2 Notice to Downstream Releasees

(a) No later than thirty (30) days following the Effective Date, MakerBot shall provide a one-time notice by mail on its letterhead to all its distributors, wholesalers, customers,

retailers, franchisees, cooperative members, and licensees that since April 2017, directly or indirectly, sold, offered for sale or distributed the Covered Products in California ("Downstream Defendant Releasees"), which notice shall include the following statement:

This letter is sent as a **notice and warning** that your California sales inventory may include the following Covered Products (ABS (METHOD series), ABS (Replicator series), ASA, HIPS, PC-ABS, and PC-ABS FR) which, when used in the operation of 3D Printers, may expose users to styrene, a chemical known to the State of California to cause cancer.

(b) The notice provided by MakerBot pursuant to this section shall also instruct the Downstream Defendant Releasees that they must attach stick-on labels to the front of Covered Products in the inventory of the Downstream Defendant Releasees, and that they must provide the warning for any Covered Product sold over the internet in a manner that complies with Proposition 65. The stick-on labels provided by MakerBot shall comply with Sections 2.1(a), 2.1(b) and 2.1(c) above. MakerBot shall provide such stick-on labels in sufficient quantity and for sufficient duration to meet the reasonably anticipated inventory needs of each Downstream Defendant Releasee. MakerBot is under no obligation to furnish stick on labels for Covered Products that prior to the Effective Date contain a warning statement that complies with Proposition 65 (i.e., a label that contains the following warning: \(\textit{ARNING: Cancer - www.P65Warnings.ca.gov.} \).

2.3 Change In Law

- (a) In the event Proposition 65 warnings cease to be required for any Covered Product as a result of any change in law, MakerBot shall have no further obligations under this Consent Judgment with respect to such Covered Product.
- (b) In the event that the California Office of Environmental Health Hazard Assessment promulgates one or more regulations requiring or permitting warning text and/or methods of transmission for the Covered Products different from those set forth in the regulations as they exist as of the Effective Date, MakerBot shall be entitled to use, at its discretion, such other warning text and/or method of transmission without being deemed in breach of this Consent Judgment.

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3. <u>SETTLEMENT PAYMENTS</u>

3.1 Civil Penalties and Payments In Lieu of Penalties

Pursuant to Health and Safety Code section 25249.7(b)(2), MakerBot shall pay \$18,750.00 in civil penalties. The penalty payment will be allocated in accordance with California Health and Safety Code section 25249.12(c)(1) & (d), with 75% of the penalty amount remitted to the California Office of Environmental Health Hazard Assessment ("OEHHA") and the remaining 25% of the penalty amount paid to Ecological Rights Foundation. Defendant will provide these payments in two checks for the following amounts made payable to: 1) "OEHHA" in the amount of \$14,062.50 and 2) "Ecological Rights Foundation" in the amount of \$4,687.50.

The payments to OEHHA and Ecological Rights Foundation shall be sent no later than 10 days after the Effective Date. All payments shall be sent via USPS certified mail, return receipt requested, to the following addresses:

All payments to Ecological Rights Foundation shall be delivered to:

Fredric Evenson Ecology Law Center P.O. Box 1000 Santa Cruz, CA 95061

The payment to OEHHA shall be delivered to:

Mike Gyurics Fiscal Operations Branch Chief Office of Environmental Health Hazard Assessment P.O. Box 4010 Sacramento, CA 95812-4010

3.2 Attorneys' Fees and Litigation Costs

MakerBot shall reimburse ERF's counsel for \$30,000.00 in ERF's fees and costs incurred as a result of investigating and bringing this matter to MakerBot's attention, and negotiating a settlement in the public interest. The payment shall be made payable to "Brian Gaffney Attorney Client Trust Account" and sent no later than fourteen (14) days after the Effective Date via USPS certified mail, return receipt requested, to the following address:

LAW OFFICES OF BRIAN GAFFNEY, A Professional Corporation 446 Old County Road, Suite 100-310

Pacifica, California 94044

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4. **RELEASE OF ALL CLAIMS**

4.1 Release of MakerBot

ERF acting on its own behalf and on behalf of itself and its past and current agents, representatives, attorneys, successors and assignees (all of whom, collectively, are defined as the "ERF Releasors"), releases MakerBot, and its parents, subsidiaries, affiliated entities, marketplaces, directors, officers, agents, employees, attorneys and each entity to whom MakerBot directly or indirectly distributes or sells the Covered Products, including but not limited to, downstream distributors, wholesalers, customers, retailers, franchisees, cooperative members and licensees and all other upstream and downstream entities in the distribution chain, and the parents, subsidiaries, affiliated entities, directors, officers, agents, employees, attorneys, predecessors, successors, and assigns of any of them (collectively, the "Releasees"), from all Claims for alleged violations of Proposition 65 through the Effective Date arising in whole or in part from any failure to warn about alleged exposures to Styrene from use of the Covered Products. For purposes of this settlement and Consent Judgment, "Claims" means all claims, actions, causes of action, suits, liabilities, demands, obligations, damages, costs, fines, penalties, losses or expenses (including but not limited to investigation fees, expert fees and attorneys' fees) of any nature whatsoever, whether known or unknown. This settlement is a full, final and binding resolution of all Claims that were or could have been asserted against MakerBot, and/or the Releasees for failure to provide warnings for alleged exposures to Styrene contained in the Covered Products.

In further consideration of the promises and agreements herein contained, and for the payment to be made pursuant to Section 3 above, the ERF Releasors provide a release herein which shall be effective as a full and final accord and satisfaction, as a bar to all Claims against MakerBot and/or any of the Releasees of any nature, character, or kind, whether known or unknown, suspected or unsuspected, limited to and arising out of the alleged or actual exposure to Proposition 65 chemicals from use of the Covered Products.

4.2 MakerBot's Release of ERF

MakerBot hereby waives any and all claims against ERF and the ERF Releasors for any and all actions taken or statements made by ERF and/or its attorneys and other representatives, whether in the course of investigating claims or otherwise seeking to enforce Proposition 65 against it in this matter or with respect to the Covered Products.

4.3 California Civil Code Section 1542

It is possible that other claims not known to the Parties arising out of the facts alleged in the Notice and relating to the Covered Products will develop or be discovered. ERF on behalf of itself only, on one hand, and MakerBot, on the other hand, acknowledge that this Agreement is expressly intended to cover and include all such claims up through the Effective Date, including all rights of action therefor. The Parties acknowledge that the claims released in Sections 4.1 and 4.2 above may include unknown claims, and nevertheless waive California Civil Code section 1542 as to any such unknown claims. California Civil Code section 1542 reads as follows:

A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release, and that if known by him or her, would have materially affected his or her settlement with the debtor or released party.

ERF and MakerBot each acknowledge and understand the significance and consequences of this specific waiver of California Civil Code section 1542.

5. **ENFORCEMENT OF JUDGMENT**

5.1 The terms of this Consent Judgment shall be enforced exclusively by the Parties hereto. Each Party may, by noticed motion or order to show cause before the Superior Court of San Francisco County, giving the notice required by law, enforce the terms and conditions contained herein. In the event that a dispute arises with respect to any of the provisions of this Consent Judgment, the Parties shall meet and confer within 10 days after either Party receives written notice of an alleged violation of this Agreement. In any proceeding brought by either Party to enforce this Consent Judgment, such party may seek whatever fines, costs, penalties or

remedies as may be provided by law for any violation of Proposition 65 or this Consent Judgment.

6. MODIFICATION OF JUDGMENT

6.1 This Consent Judgment may be modified only upon written agreement of the Parties and upon entry of a modified Consent Judgment by the Court thereon, or upon motion of any Party as provided by law and upon entry of a modified Consent Judgment by the Court.

7. TERMINATION AND RETENTION OF JURISDICTION

7.1 This Court shall retain jurisdiction of this matter to implement and enforce the terms of this Consent Judgment.

8. AUTHORITY TO STIPULATE

8.1 Each signatory to this Consent Judgment certifies that he or she is fully authorized by the Party he or she represents to enter into this Consent Judgment and to execute it on behalf of the Party represented and legally to bind that Party.

9. SERVICE ON THE ATTORNEY GENERAL

9.1 ERF shall serve a copy of this Consent Judgment, signed by both Parties, on the California Attorney General on behalf of the Parties so that the Attorney General may review this Consent Judgment prior to its submittal to the Court for approval. No sooner than forty five (45) days after the Attorney General has received the aforementioned copy of this Consent Judgment, and in the absence of any written objection by the Attorney General to the terms of this Consent Judgment, the Parties may then submit it to the Court for approval.

10. ENTIRE AGREEMENT

10.1 This Consent Judgment contains the sole and entire agreement and understanding of the parties with respect to the entire subject matter hereof and any and all prior discussions, negotiations, commitments and understandings related hereto. No representations, oral or otherwise, express or implied, other than those contained herein have been made by any Party hereto. No other agreements not specifically referred to herein, oral or otherwise, shall be deemed to exist or to bind any of the parties.

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11. GOVERNING LAW

11.1 The validity, construction and performance of this Consent Judgment shall be governed by the laws of the State of California, without reference to any conflicts of law provisions of California law.

12. EXECUTION AND COUNTERPARTS

12.1 This Consent Judgment may be executed in counterparts which taken together shall be deemed to constitute one document.

13. COURT APPROVAL

13.1 If this Consent Judgment is not approved by the Court, it shall be of no force or effect, and cannot be used in any proceeding for any purpose.

14. NOTICES

- 14.1_In the event that a dispute arises with respect to any of the provisions of this Agreement, the Parties shall meet and confer within 14 days after either Party receives written notice of an alleged violation of this Agreement.
- 14.2 Any notices or payments due under this Consent Judgment shall be sent by USPS certified mail, return receipt requested.

If to Ecological Rights Foundation:

Fredric Evenson Ecology Law Center P.O. Box 1000 Santa Cruz, CA 95061

With a copy to:

LAW OFFICES OF BRIAN GAFFNEY, A Professional Corporation 446 Old County Road, Suite 100-310 Pacifica, California 94044

If to MAKERBOT INDUSTRIES, LLC:

Frank Polcino General Counsel MakerBot Industries, LLC One MetroTech Center, 21st Floor

	Brooklyn, NY 11201		
1	With a copy to:		
2	Scott H. Reisch Hogan Lovells US LLP 1601 Wewatta Street, Suite 900 Denver, CO 80202		
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5	Any Party, from time to time, may specify in writing to the other Party a change address to which all notices and other communications shall be sent.		
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7	IT IS SO STIPULATED:		
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9 DATED: June 16, 2020			
10		ECOLOGICAL RIGHTS FOUNDATION	
11	1	Ecological Rights foundation	
12	2	Ecological Rights Foundation BY: James Kangut, EXEC. DIR.	
13	3	JAMES LAMPORT, EXECUTIVE DIRECTOR	
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16	DATED: N	MAKERBOT INDUSTRIES, LLC	
17	7 B	Y:	
18		TS:	
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20	IT IS SO ORDERED, ADJUDGED AND DECREED:		
21	DATED:		
22		HIDGE OF THE GUIDEDIOD COURT	
23	3	JUDGE OF THE SUPERIOR COURT	
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	Brooklyn, NY 11201		
1	with a copy to:		
2 Scott H. Reisch Hogan Lovells US LLP			
3	1601 Wewatta Street, Suite 900 Denver, CO 80202 Any Party, from time to time, may specify in writing to the other Party a change of address to which all notices and other communications shall be sent.		
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6		inications shari be sent.	
7	7 IT IS SO STIPULATED:		
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9	9 DATED:	ECOLOGICAL RIGHTS FOUNDATION	
10		BY:	
11	1	ITS:	
12	2	113	
13	06/19/2020		
14	DATED: 06/19/2020	MAKERBOT INDUSTRIES, LLC	
15	5	By:	
16	6	ITS:	
17	7		
18	8 IT IS SO ORDERED, ADJUDGED AND DE	ECREED:	
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20		HIDGE OF THE CUREDION COURT	
21	1	JUDGE OF THE SUPERIOR COURT	
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